

An Agency of the State of Hawaii

Stadium Authority Special Meeting 99-500 Salt Lake Boulevard Honolulu, Hawaii 96818 June 4, 2009

Lawrence K. W. Tseu, DDS

Member Absent

Kay Ahina Marcia Klompus

Members Present:

Kevin Chong Kee, Chairman

Kathryn Inouye

Alexander Kane, Jr.

Alan Tamayose Kenneth Marcus

Nelson Oyadomari

Staff Present:

Scott Chan

Lois Manin

Others:

Randall Nishiyama, Deputy Attorney General Russ Saito, Comptroller John McNamara, University of Hawaii

I. CALL TO ORDER

A quorum being present, Chairman Kevin Chong Kee called the meeting to order at 10:05 A.M.

Deputy Attorney General Randall Nishiyama apologized for making it necessary to have this special meeting. He explained, at the Stadium Authority regular meeting on May 28, 2009 he made an error, in that he gave the Board verbal advice that the UH Investigative Committee (IC) could have five (5) members. He stated that is incorrect, the IC must have less than a quorum, which means four (4) members. Because the IC was established at an official meeting of the Board, to re-establish the IC, it must be re-established at an official meeting, which is the reason why a Special Meeting was called today. Mr. Nishiyama apologized for everyone having to return today.

Chairman Chong Kee proceeded to re-establish the committee to look at expenses for the University of Hawaii. The following members were selected:

Kathryn Inouye Kenneth Marcus Alan Tamayose Lawrence Tseu, DDS

A MOTION WAS MADE BY MEMBER MARCUS AND SECONDED BY MEMBER KANE TO RE-ESTABLISH THE UH INVESTIGATIVE COMMITTEE TO INCLUDE MEMBER INOUYE, MEMBER MARCUS, MEMBER TAMAYOSE AND MEMBER TSEU. THE MOTION CARRIED UNANIMOUSLY.

In an effort to move forward on this matter, Manager Chan provided the Board with information on what has been done thus far pertaining to the UH expenses. Prior to passing out the information, Manager Chan explained they have had meetings with UH. The first phase was completed about two weeks ago which included a power point presentation by stadium staff to the UH staff.

Manager Chan noted the following:

- Phase I Streamline out-of-pocket expenses;
- Phase II Negotiating UH's contract to implement a system that will insure a win/win situation for both sides with reference to attendance and out-of-pocket expenses. We will send to the committee members the information on Phase II (electronically) next week.

Manager Chan explained the Phase I hand-out includes documentation of everything that was presented to UH.

Member Marcus inquired if the information he previously requested was incorporated in the hand-out. Mr. Chan stated some of that information is included, (i.e. labor costs, HPD, and a portion of how we work with concessionaires). He also noted the balance of the information requested should be included in the Phase II hand-out.

Member Marcus asked if Manager Chan had received any feedback from UH on the information provided to them. Manager Chan said the information has been positively received, comments have been made, and UH is pleased with what has been provided.

Mr. Chan explained Phase II will show a cost effective chart that will explain a balance between out-f-pocket expenses and attendance.

To move matters faster, Member Inouye suggested that Manager Chan and perhaps Liane from Fiscal be a part of the committee.

Mr. Nishiyama reminded the Board, the IC cannot negotiate; it was established to develop information and the Board cannot take action at the next meeting. It can present its findings at the next meeting and they can be adopted at a subsequent meeting.

Comptroller Russ Saito stated Mr. Nishiyama's advice was important, and that the committee can return to the next board meeting with its recommendations; also that a special meeting may be called. He further explained and clarified the process and noted if Manager Chan is given the power to negotiate the issues, things could move a lot faster.

Manager Chan informed the Board that Stephen Lee, Events Manager, will be conducting the power point presentation that was previously shown to the UH staff. Comptroller Saito requested confirmation by Mr. Nishiyama that the presentation falls within the rules of the Investigative Committee (IC). Mr. Nishiyama stated this is information incidental to the formation of the Investigative Committee. Because it is incidental information, it is permissible; however, if it includes in-depth discussions, he advised they would have to adjourn and go into a committee meeting.

Mr. Nishiyama suggested an overview of the power point is fine; he noted the further you get from an overview it becomes more difficult.

Chairman Chong Kee recommended a summary first and if the Board preferred, he could adjourn the meeting and then go into a committee meeting.

The presentation was made by Stephen Lee.

- II. NEXT MEETING June 25, 2009
- III. ADJOURNMENT 10:45 a.m.

Recorded by: Diana C. Ho

Approval date: June 25, 2009